

Filed for intro on 02/15/2001

HOUSE BILL 1739

By Chumney

AN ACT to amend Tennessee Code Annotated, Title 4; Title 9; Title 36; Title 37; Title 49; Title 68 and Title 71, to enact the "Early Childhood Learning and Development Fund Act."

WHEREAS, in late 1998, Tennessee joined in the historic Attorneys General Master Tobacco Settlement Agreement; and

WHEREAS, this agreement provides for the estimated payment to Tennessee of almost five billion dollars (\$5,000,000,000) over a twenty-five (25) year period ending in 2025; and

WHEREAS, the availability of such funds presents an opportunity to fund important initiatives to promote early learning and childhood development; now therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. This act shall be known and may be cited as the "Early Childhood Learning and Development Fund Act".

SECTION 2.

(a) Subject to appropriation in the annual general appropriations act, from any funds received by the state from the master settlement agreement, and related documents, entered into on November 23, 1998 by Tennessee, other states and entities and certain tobacco product manufacturers, in fiscal year 2001-2002 and for each

subsequent fiscal year, twenty-five percent (25%) of such funds shall be allocated to the early childhood learning and development fund as provided in this act.

(b) There is hereby created a special trust fund as an account in the state treasury. Moneys from the fund may be expended to fund activities authorized by this act. Any revenues deposited in this fund shall remain in the fund until expended for purposes consistent with this act, and shall not revert to the general fund on any June 30. Any excess revenues on interest earned by such revenues shall not revert on any June 30, but shall remain available for appropriation in subsequent fiscal years. Any appropriation from such account shall not revert to the general fund on any June 30, but shall remain available for expenditure in subsequent fiscal years.

(c) Beginning on July 1, 2001, funds from the trust fund shall be expended for programs to enhance early childhood learning and development consistent with this act. Such programs may include subsidies for working families who do not qualify for existing child care subsidies; improvement of child care quality in this state by funding activities which include child care provider professional development and training activities; increased reimbursement rates for child care facilities that provide superior care; support of activities of the child care facilities corporation; and for similar activities.

SECTION 3.

(a) There is hereby created the early childhood learning and development board. The board shall review grant proposals and award grants for implementation of early childhood learning and development initiatives as provided by this act.

(b) The board shall consist of eleven (11) members, which shall be composed of:

- (1) The commissioner of children's services;
- (2) The commissioner of education;
- (3) The commissioner of health;
- (4) The comptroller of the treasury;

(5) Two (2) members of the house of representatives, appointed by the speaker of the house of representatives;

(6) Two (2) members of the senate appointed by the speaker of the senate; and

(7) Three (3) citizens who are knowledgeable in early childhood development, of which one (1) shall be appointed by each the governor, the speaker of the senate and the speaker of the house of representatives.

(c) Appointing authorities shall strive to assure broad geographical, ethnic and gender diversity representative of Tennessee's citizenry.

(d) All members of the board shall serve without compensation but shall be reimbursed in accordance with the provisions of the comprehensive travel regulations as promulgated by the department of finance and administration and approved by the attorney general and reporter.

(e) Any vacancy shall be filled for the remainder of the unexpired term. Each board member may be reappointed to subsequent terms.

(f) The department of human services shall provide administrative support to the board.

(g) All departments and agencies of state government shall, upon request, assist the board in the exercise of its duties.

(h) A majority of the members of the board serving shall constitute a quorum for the transaction of business at a meeting of the board. Voting upon action taken by the board shall be conducted by a majority vote of the members present at the meeting of the board. The board shall meet at the call of the chair and as may be otherwise provided in any bylaws of the board.

(i) The board may delegate to one (1) or more of its members or its officers such powers and duties as it may deem proper.

SECTION 4.

(a) In addition to the powers granted by any other provisions of this act, the board shall have the powers necessary or convenient to carry out the purposes and provisions of this chapter including, but not limited to, the following express powers:

(1) Sue and be sued, at law or in equity; provided, that jurisdiction over the board against which an action is brought shall lie solely in a court of competent jurisdiction in Tennessee.

(2) Have a seal and alter the same at pleasure.

(3) Establish policy guidelines for the receipt, review and approval of grant proposals and initiatives.

(4) Make, execute, and deliver contracts, conveyances, and other instruments necessary to the exercise and discharge of the powers and duties of the board.

(5) Contract for the provision of all or any part of the services, including, but not limited to, legal and other personal and professional services, as may be necessary or convenient for the management and operation of the board or its assets or for otherwise carrying out its responsibilities under this act.

(6) Adopt bylaws governing the conduct of its meetings and the use and application of its moneys and properties and for providing for other matters not inconsistent herewith or otherwise contrary to law.

(b) Any rules and regulations promulgated pursuant to this section shall comply with the provisions of Title 4, Chapter 5.

SECTION 5.

In addition to any other duties imposed by this chapter, the board shall be responsible for the following:

- (1) Development of a comprehensive plan to upgrade childhood development and learning opportunities for Tennessee children;
 - (2) Review and approval of program proposals for expenditure of funds;
 - (3) Development of policies, procedures, guidelines and rules and regulations with the assistance of the department of human services;
 - (4) General oversight of expenditures and all programs under this part;
- and
- (5) Conduct of necessary monitoring, review and reporting, with the assistance of the department of human services, as required by this act.

SECTION 6.

(a) From funds provided under this act, the board shall develop a program designed to upgrade the professional development of persons who are employed or provide training in a child care or early childhood setting through scholarships, merit awards, and monetary incentives, to assist these persons in obtaining a child development associate credential, post-secondary certificate, diploma, degree, or specialty credential in an area of study determined by the board.

(b) Eligibility for scholarship funds shall be for individuals who do not have access to professional development funds from other education programs that receive state or federal funds, and who are:

- (1) Employed at least twenty (20) hours per week providing services in a child care or early childhood setting; or
- (2) Involved in providing professional development training for teachers in an early childhood setting.

(c) The department of human services shall promulgate administrative regulations, including a system of monetary incentives for scholarship program

participants for completing classes. All rules and regulations shall be promulgated in accordance with the provisions of Tennessee Code Annotated, Title 4, Chapter 5.

SECTION 7. The provisions of this act shall not be construed to be an appropriation of funds and no funds shall be obligated or expended pursuant to this act unless such funds are specifically appropriated by the general appropriations act.

SECTION 8. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 9. Tennessee Code Annotated, Section 9-4-5501, is amended by deleting the language "fifty percent (50%)" wherever it may appear in such section and by substituting instead the language "thirty-seven and one-half percent (37 1/2%)".

SECTION 10. Tennessee Code Annotated, Section 9-4-5501(a), is amended by deleting the language "during fiscal year 2000-2001".

SECTION 11. Tennessee Code Annotated, Section 9-4-5501(b), is amended by adding the following:

(4) Funds deposited in the early childhood learning and development fund, which shall be twenty-five percent (25%) of the funds recovered under the master settlement, shall be expended in accordance with the "Early Childhood Learning and Development Fund Act."

SECTION 12. This act shall take effect July 1, 2001, the public welfare requiring it.